

Recommendation of the Joint European Forum for Important Projects of Common European Interest

on the roles of associated and indirect partners in an IPCEI ecosystem

Adopted by the high-level meeting of the Joint European Forum for IPCEI on 27 November 2024

Disclaimer

This Recommendation does not express an applicable legal position or constitute a legally binding approach, neither for the Member States nor for the European Commission (hereafter: Commission), nor for indirect or associated partners in an IPCEI ecosystem. It does not create any further rights, nor imposes any new obligations, in addition to those laid down in the Treaty on the Functioning of the European Union, the Procedural Regulation¹, the Implementing Regulation² and the Code of Best Practice for the conduct of State aid control procedures³, as well as the IPCEI Communication, as interpreted by the Union Courts⁴. This Recommendation does not alter in any way the rights or obligations or the roles of the various types of partners involved in an IPCEI. All work of the Joint European Forum for IPCEI (JEF-IPCEI) is done on the basis of existing State aid rules. It is neither the mandate of a Working Group nor the JEF-IPCEI to consider, propose or prepare any changes of these rules, nor to legally interpret these rules.

This Recommendation constitutes a common basis of what has been observed in past IPCEI procedures and may be used to facilitate the processing of future IPCEIs but does not prevent Member States to adapt the design to the needs and specificities that may arise in potential future IPCEIs neither precludes the Commission assessment or decision.

Executive summary

The aim of this Recommendation is, on the basis of existing State aid rules and IPCEI case practice, to **clarify the role of indirect and associated partners (IAPs) in an IPCEI**. It emphasizes the important value-added IAPs can bring to an IPCEI and clarifies the IAPs' concrete contribution to an IPCEI, their characteristics, and actions towards the IPCEI in which they are involved.

Member States are strongly encouraged to use this Recommendation, when relevant, for future IPCEIs. In this way, the **Recommendation will contribute to improve the process, speed, design and assessment of IPCEIs in line with the JEF-IPCEI's objectives**. It will allow for a proper upfront qualification of IPCEI direct participants and IAPs, give more visibility to IAPs, and improve the possibilities for SMEs, including innovative start-ups, to become part of an IPCEI ecosystem. At the same time, it will ease the process for companies, Commission and Member States.

The JEF-IPCEI highlights three key findings on IAPs in an IPCEI ecosystem:

1. The **JEF-IPCEI encourages participation of IAPs in IPCEIs** as they can increase IPCEIs' contribution to sustainable economic growth, jobs, competitiveness and resilience for industry and the economy in the Union and strengthen its open strategic autonomy.
2. **Member States are in the driving seat to create opportunities for companies or organisations to become involved in an IPCEI as associated or indirect partner**. The JEF-IPCEI therefore recommends that Member States, in their national calls for expression of interest, clearly specify the criteria for the different roles they want to create for participation in an IPCEI: direct participants, indirect and/or associated partners. This will be further elaborated in the (upcoming) JEF-IPCEI Recommendation on national calls for expression of interest.

¹ OJ L 248, 24.9.2015, p. 9

² OJ L 325, 10.12.2015, p. 1

³ OJ C 253, 19.7.2018, p. 14

⁴ This document does not contain an exhaustive overview of the State aid rules.

3. **The JEF-IPCEI recommends clear and distinct criteria, contributions and involvement in the IPCEI ecosystem for IAPs**, as summarised in the table below (full overview in the text and annex). Member States are responsible for assessing IAPs' compliance with the relevant criteria. IAPs can be all types of organisations: undertakings of any size and research organisations (ROs). Both indirect and associated partners do not receive State aid funding under the IPCEI Communication. **Associated partners** contribute to the IPCEI with an own project and receive public funding under a national/ regional aid scheme (incl. GBER) or EU fund. Among others, they engage in effective collaborations with IPCEI direct participants, spillover activities and are represented in the IPCEI governance. **Indirect partners** collaborate with at least one IPCEI direct participant or associated partner and may be invited to governance and networking events.

| | Associated partners | Indirect partners |
|---------------------------------|---|---|
| Contribution to an IPCEI | With an own project | By collaborating with a direct participant or an associated partner |
| Selection | Underwent a national selection procedure to participate in the IPCEI | May have undergone a national selection procedure to participate in the IPCEI |
| Public funding | No funding under IPCEI Communication; Necessary funding under national/ regional aid scheme (incl. GBER) or EU fund | No funding under IPCEI Communication |
| Governance | Representation in the governance of an IPCEI | No representation in the governance but may be invited to governance events |
| Visibility | Visibility by the European Commission, aside from visibility by the Member States | Visibility in the Chapeau document and on the respective website of the IPCEI prepared by the Member States |
| Preparation | Part of setting up the IPCEI and drafting of the Chapeau | Neither part of setting up the IPCEI nor drafting of the Chapeau |
| Collaborations | For large undertakings and ROs, at least 2 effective cross-border collaborations linked to the subject of the IPCEI with IPCEI direct participants or associated partners, and at least one IPCEI direct participant; For SMEs, at least 1 effective cross-border collaboration with an IPCEI direct participant | At least 1 collaboration with a direct participant or an associated partner |
| Spillovers | Spillover activities in at least 3 Member States | No requirements on spillover |
| Reporting | Reporting to Member States and Public Authority Board (or similar IPCEI coordination body) | No IPCEI reporting |

1. Introduction

The participation of IAPs can enhance the development of building a large European ecosystem. This Recommendation aims to further clarify the roles of IAPs as observed in some of the past IPCEIs.

While the IPCEI Communication contains eligibility and compatibility requirements that need to be complied with by the aid beneficiaries in an IPCEI decision (i.e., the IPCEI direct participants), the IPCEI Communication is silent about other types of organisations and undertakings that might be part of the created IPCEI ecosystem and collaborate with the IPCEI direct participants. The creation or support of an IPCEI ecosystem is not explicitly required by the IPCEI Communication as an eligibility or compatibility condition, nor is it mandatory that every IPCEI aims and takes actions to create or support an ecosystem; thus, not all integrated IPCEIs designed and implemented until the present moment had this element amongst their goals, neither can it be excluded that a future IPCEI might not pursue such a goal. It is, however, very often generated by an integrated IPCEI as a resulting spillover effect. In this respect, point 3 of the IPCEI Communication mentions that IPCEIs make it possible to bring together knowledge, expertise, financial resources and economic actors from across the Union. Point 18 requires that the benefits of the IPCEI must not be limited to the undertakings or to the sector concerned but must be of wider relevance and application to the economy or society in the Union through positive spillover effects (such as having systemic effects on multiple levels of the value chain) – the IPCEI eligibility condition of delivering cross-border positive spillovers effects.

A first mentioning of the notion of ‘**indirect partners**’ appears in the decision of the first integrated IPCEI on microelectronics in 2018, in which “*indirect partners are (...) companies which are not IPCEI partners (...) but are cooperating in some way with the IPCEI partners*”. In the subsequent nine integrated IPCEIs focusing on research, development, innovation (RDI) and first industrial development (FID) projects⁵, indirect partners have been included, one way or another, and sometimes referred to in the decision, adding up to more than 2100 indirectly involved companies or ROs⁶. These indirect partners were mentioned in previous Commission decisions, e.g. in the sections where spillovers and collaborations between the IPCEI direct participants and such indirect partners are mentioned. These decisions (until the IPCEI on Microelectronics and Connectivity (ME/CT) 2023 decision) did not contain an explicit list of all potential indirect partners, but provided some examples of such collaborations, and some examples of indirect partners only.

In addition to the indirect partners, the notion of ‘**associated partners**’ was introduced first in the process of preparing the Chapeau document⁷ of the IPCEI ME/CT in 2023 in order to facilitate participation of companies and/or ROs, which may either be funded by Member States under different legal bases (e.g., under the General Block Exemption Regulation, GBER) or based on other public funds (including non-State aid relevant funding). The associated partners were subsequently mentioned in the IPCEI ME/CT decision and in addition to the spillovers section also in a dedicated Annex (based on the participating Member States’ proposal in the Chapeau document). There, associated partners were considered as companies or ROs having an explicit project contributing to the IPCEI ME/CT, which underwent a national selection procedure to participate in this IPCEI, receiving funding under national or regional funding scheme (not limited to R&D work) including GBER for their contribution within

⁵ By contrast, the concept of IAPs has not been used in the IPCEI Hy2Infra decision concerning integrated infrastructure. However, discussions have been ongoing between the participating Member States of the four waves of the IPCEI on Hydrogen and the introduction of an associated partner status is very likely.

⁶ For instance, in the second IPCEI on Microelectronics (IPCEI ME/CT), indirect partners were mentioned as “*(...) undertakings or organisations that have not submitted an individual project within IPCEI ME/CT. Nevertheless, they hold collaboration agreements with one or more participating undertakings of IPCEI ME/CT and they can therefore benefit from the various dissemination activities (e.g., wider infrastructure access, knowledge dissemination of R&D&I and FID results or open access to laboratory facilities, etc.)*.”

⁷ The Chapeau document serves as the structure of the respective overall IPCEI project, see the [DG COMP Code of good practices for a transparent, inclusive, faster design and assessment of IPCEIs](#).

IPCEI ME/CT, and collaborating with the IPCEI direct participants. In order to appreciate their contribution and facilitate SME participation which normally require lower aid amounts that fit under the GBER, visibility was given to them in the descriptive part of the Commission's decision and the press release⁸.

The JEF-IPCEI encourages participation of IAPs in IPCEIs as they can enlarge the IPCEI's contribution to sustainable economic growth, jobs, competitiveness and resilience for industry and the economy in the Union and strengthen its open strategic autonomy, as set out in the IPCEI Communication.

It is important to note that the notions of IAPs have no legal definition in the IPCEI Communication, which only defines the eligibility and compatibility conditions with which the undertakings directly benefitting from State aid authorised under IPCEI rules (referred to as 'IPCEI direct participants' as mentioned in DG COMP's Code on good practices for IPCEIs) and their projects must comply with. The notion of IAPs emerged as a collaborative attempt between the participating Member States of previous IPCEIs to give more visibility and enhance involvement of ROs and companies related to the IPCEI direct participants. Like IPCEI direct participants, also the terms 'indirect partner' and 'associated partner' are mentioned in the DG COMP's [Code of good practices](#) and in DG COMP's IPCEI [project portfolio template](#). In the currently ten approved integrated IPCEIs a number of approximately 2100 indirect partners and 42 associated partners (according to the IPCEI decisions of the Commission) were mentioned compared to a total of 334 aid beneficiaries (referred to here as IPCEI direct participants).⁹

Based on the experience in previous IPCEIs and the feedback of Member States, amongst others, two surveys and discussions in the JEF-IPCEI, the JEF-IPCEI agreed to set up a Working Group, mandated to clarify the role of IAPs. This clarification should first facilitate to streamline the IPCEI process by allowing for a proper upfront qualification between IPCEI direct participants and IAPs, second give more visibility to the IAPs, in particular when it involves specific partnerships and collaborations, and third enlarge the possibilities for SMEs including innovative start-ups, to be part of an IPCEI ecosystem while at the same time reducing the burden on the side of companies, Commission and Member States. Furthermore, the work on clarifying the role of IAPs should facilitate to apply the amendments incorporated into the GBER such as in terms of cross-border RDI aid in order to streamline the participation of the Member States in an IPCEI ecosystem. Clarifications on the role of IAPs may also facilitate the choice by Member States to use alternative legal bases such as the GBER. Such clarification of the roles of the IAPs should also make clear what their concrete contribution, obligations and actions towards the IPCEI to which they are joining are, who shall monitor the delivery of these (taking into account that the Commission is not and will not assess them), how a possible reporting to the IPCEI about such a delivery shall be implemented, and how (and based on what evidence) the IPCEI should report to whom about their contributions and accomplishments. At the same time, such clarifications should be based on the existing State aid framework, and neither result in creating administrative burden for the IAPs nor in limiting the possibility of adapting such notions to the particularities of future IPCEIs.

This being said, the aim of this Recommendation is, on the basis of existing IPCEI case practice, to clarify the assessment by the Member States and facilitate the participation of IAPs in future IPCEIs, thus create certainty, reliability and comparability through a common JEF-IPCEI Recommendation that is suggested to be used for future IPCEIs, when relevant. This Recommendation is intended to function as a guidance for all entities involved in the design of a future IPCEI. It is important to note that the Recommendation is not binding and therefore allows Member States designing new IPCEIs a degree of

⁸ In the decision of the IPCEI ME/CT, associated partners were mentioned as companies or ROs involved in the IPCEI ME/CT which played "(...) an essential role in the shaping of the IPCEI ME/CT, by participating in national selection processes, establishing collaborations with the direct participants, committing to the generation of spillovers activities and contributing to the initial drafting of the Chapeau document".

⁹ For more information, please visit the [IPCEI website](#).

flexibility to apply or to deviate from the Recommendation based on the Member States' needs, circumstances and specific features of possible future IPCEIs.

2. Identification of organisations and undertakings in the context of an IPCEI

An integrated IPCEI consists of a group of single projects inserted in a common structure, roadmap or programme aiming at the same objective and based on a coherent systemic approach. The individual components of the integrated project may relate to separate levels of the supply chain but must be complementary and significantly add value in their contribution towards the achievement of the European objective (point 13 of IPCEI Communication). These single projects are owned by undertakings benefitting from aid based on the IPCEI rules and are referred to as IPCEI direct participants (cf. DG COMP Code of good practices for IPCEIs).

IPCEI **direct participants**, may have links to **associated partners** and **indirect partners**. The distinction among associated and indirect partners is based on their role in an IPCEI ecosystem and will be set out below.

2.1. IPCEI direct participants

The eligibility criteria of the individual project of an IPCEI direct participant are laid down in the IPCEI Communication.

The role of the associated and indirect partners described below does not relieve the IPCEI direct participants from their obligation to deliver fully the objectives, workplan, innovative content, deliverables, integration, spillovers, etc. of the particular IPCEI.

Governance

The role of IPCEI direct participants in an IPCEI governance is established by the participating Member States, described in the IPCEI Chapeau document and mentioned in the decision of the Commission approving the State aid for the IPCEI.

In previous IPCEIs, IPCEI direct participants were represented in the governance structure of an IPCEI with voting rights in the General Assembly (GA) and the right to eligibility for any role in the Facilitation Group. In addition, the corresponding Member State of the IPCEI direct participants was granted the right to vote in the Supervisory Board (SB). In case there were other bodies (such as the Transformers Group (TG) as in IPCEI ME/CT), IPCEI direct participants also have full participation rights.

Reporting

The reporting obligations of IPCEI direct participants are described in the IPCEI Chapeau document and in the decision of the Commission approving the State aid for the IPCEI.

In previous IPCEIs, IPCEI direct participants are obliged to send annual reports each year to their national authorities who then submit them to the Commission. These annual reports should provide a detailed presentation of the annual progress of the individual project. Such reports should include, but are not limited to, advancements of the project, dissemination and spillover effects, financial implementation, key performance indicators achieved and status of partnerships to allow for comparison between the progress achieved and the commitments made by the Member States in the notification process to the Commission. IPCEI direct participants also have to contribute to the annual reporting made at the level of the overall IPCEI by the Facilitation Group.

2.2. Associated partners

Description

The goal of the category of associated partners is to give interested companies or ROs – that are not IPCEI direct participants – the chance to participate in the IPCEI and to strengthen the IPCEI ecosystem in Europe. Associated partners’ projects, depending on the nature of the IPCEI, can be all different kinds of organisations (undertakings of any size or ROs) and projects (not limited to research projects as it has been the case in previous research-related IPCEIs) located within an EU Member State, EEA state, or EU candidate country.

Unlike IPCEI direct participants, associated partners are not subject to the (pre)-notification process to the Commission under the IPCEI Communication. However, based on past IPCEIs, their contribution to an IPCEI can play an important complementary role (e.g., in contributing to fulfilling and adding to the objectives of an IPCEI, enlarging the IPCEI direct participants spillover commitments, etc.). Therefore, associated partners can be granted by the participating Member States both additional rights as well as obligations, compared to indirect partners (see section 1.3 below). Associated partners are not assessed by the Commission in the context of the IPCEI process but by their respective Member State as far as the fulfilment of the conditions agreed by Member States for the qualification of associated partner.

Associated partners do not receive notified State aid approved based on the IPCEI Communication from their respective Member State but receive funding from a national (or regional) funding scheme, including GBER or EU funds, including support not necessarily qualifying as aid, for their contribution within the IPCEI ecosystem.

Relevance of GBER in IPCEIs

In past IPCEIs, associated partners have been funded, among others, via national support based on the GBER, such as article 25 GBER, but also for example based on articles 21 and 36 GBER and others. The adoption by the Commission on 9 March 2023 of its targeted amendment to Regulation (EU) No 651/2014 (“Green Deal GBER amendment”) enables to facilitate the implementation of certain projects involving beneficiaries in several Member States, in the field of research and development, by increasing the aid intensities as well as the notification thresholds.

In past IPCEIs, the use of GBER to finance projects of associated partners has enabled (i) to speed up the IPCEI procedure by reducing the number of projects (pre-)notified to the Commission and (ii) to encourage the participation of SMEs in IPCEIs (for which the amounts of aid per project are usually smaller and below the notification thresholds set by the GBER).

This being said, it must be underlined that (i) associated partners may receive State aid on other legal bases than GBER or EU funding and (ii) the GBER (e.g. article 25 when research projects are concerned or other appropriate GBER articles) can be used independently of an IPCEI.

Criteria and role of associated partners in IPCEI governance¹⁰

Member States agree and recommend that, associated partners:

- underwent a national selection procedure to participate in the IPCEI;
- participate in setting up the IPCEI (e.g., in the matchmaking process) and contribute to drafting the IPCEI Chapeau document, but do not take part in the (pre)-notification process¹¹;

¹⁰ This is without prejudice to other conditions to be fulfilled to receive public funding.

¹¹ Does not apply to associated partner projects in the specific case of a late entry.

- contribute with their own projects which are of reasonable size and volume and, meaningfully and in an impactful way, contribute to the objectives of the IPCEI;
- commit to the generation of spillover activities related to, for example, the dissemination of non-IP covered results (conferences, workshops, training events, etc.) in at least three Member States;
- in an RDI-related IPCEI, have effective cross-border collaborations (compliant with the R&D&I Framework) with at least two IPCEI direct participants or associated partners in the context of their IPCEI projects for large enterprises or ROs, and at least one for SMEs. At least one of the effective cross-border collaborations should be with an IPCEI direct participant.¹²
- are represented in the governance structure of the IPCEI, as established by the participating Member States for each IPCEI.

Reporting

- Upon request by the Member States, associated partners inform the PAB (or any other similar IPCEI coordination body) about the progress of their respective projects in a yearly report, which should include non-confidential information. A summary of each report can also be made available to IPCEI direct participants, associated and indirect partners, and the Member States (e.g., as is the case in the IPCEIs on Batteries and EuBatIn). In this case, it is for the PAB (or any other similar coordination body) of each IPCEI to provide the reporting template for the annual reporting, which will be aligned with the reporting templates for IPCEI direct participants (simplified form).
- Upon request by the Member States, associated partners may also contribute to the annual reporting made at the level of the overall IPCEI (annual executive report).
- The annual report at the level of the overall IPCEI is notwithstanding the national annual reports that may be required by the respective national authority of the associated partner.

Visibility

- This Recommendation is based on the expectation of the Member States that the identity of associated partners would be given public visibility by the Commission.

Specific case of late entry of associated partners

In past IPCEIs, Member States may have agreed on the possibility of late entry of associated partners post-adoption of a Commission decision approving State aid for an IPCEI along a very similar set of criteria as the ones described above. This has been the case in particular for the IPCEIs on Batteries and EuBatIn, where an addendum to the Chapeau was agreed upon by the participating Member States after adoption of the Commission decision (as long as this possibility was not provided beforehand). This addendum could in future IPCEIs look as follows:

- Companies and ROs wishing to become an associated partner of the IPCEI after the adoption of a Commission decision should prepare a respective application. The interest to join the IPCEI as an associated partner should be transmitted through the corresponding Member State to the Facilitation Group and the Public Authority Board (PAB), or any other similar IPCEI coordination body.

¹² For infrastructure-related IPCEIs the case practice is yet to be developed. Associated partners involved in an infrastructure-related IPCEI need, for example, to be *connected* to an IPCEI direct participant.

- The submission to become an associated partner should include the following information: details regarding the entity (type, address, postcode/city, country); contact person (name, e-mail, phone); company/RO website link and further relevant project links; brief description of the company/RO (technology, products, markets); name of the project; project length; which workstream(s) /technology field(s) of the IPCEI the company's/RO's planned activities belong to; brief description of the company's/RO's contribution within the project (contribution to the common objectives of IPCEI, added value of the participation to the IPCEI, spillover activities, effective cross-border collaborations, other cooperation, expertise); which IPCEI direct participants the company/RO already/intend to collaborate with;
- An associated partner should comply with the criteria for associated partners as set out in the JEF-IPCEI Recommendation on the role of indirect and associated partners, unless decided otherwise in the respective IPCEI;
- The associated partner's project should either not have started earlier than two years prior to the submission to the corresponding Member State or is set to start maximum one year after the submission to the corresponding Member State;
- Late entry of associated partners is not a reason to amend an IPCEI decision adopted by the Commission.

The request for entry is then submitted to a specific process according to which the company/RO must present on an exceptional session of the SB its potential contribution and added value to the IPCEI. During the exceptional session of the SB, the SB will confirm the entry of the associated partner, on camera, with the majority of its present members. The SB decision on acceptance or rejection of the application of the new associated partner will then be notified within 15 working days from the SB decision by the coordinator of the PAB to the Member States, (the Member State of) the applying associated partner, as well as to the IPCEI direct participants. Any vote to the contrary has to be duly justified to ensure transparency and inclusiveness. Participating Member State of new associated partners will be invited on request to the meetings of the GA and PAB, or any other similar IPCEI coordination body, as observers (without voting rights).

Should the entry of an associated partner be accepted, the partner will be entitled to certain rights and duties as follows:

- Associated partners will be invited to the IPCEI GA meetings as observers. For logistical reasons, physical participation can be restricted;
- Associated partners will inform about the progress of their respective projects to the PAB coordinator (or any other similar IPCEI coordination body) in a yearly simplified report (compared to those of IPCEI direct participants) which will include non-confidential information. Their reports can be made available to IPCEI direct participants, associated partners and the Member States. The SB in its first meeting will lay down details regarding the content of this report after adoption of this addendum;
- Associated partners are entitled to benefit from the IPCEI spillover activities in a wider sense and are invited to participate at annual IPCEI meetings and other networking events;
- Associated partners can be invited to workstream/technology field meetings by the workstream/technology field leaders to create synergies for the execution of the work program and to maximize spillover effects for the IPCEI ecosystem. The decision to do so lies with the workstream/technology field leaders after consultation with the IPCEI direct participants participating in the workstream/technology field (who have veto right towards the associated

partners' participation in the workstream/technology field in an anonymous vote). The workstream/technology field leaders will base their judgement on the work program needs.

The adoption of such addendum has enabled new partners to join the IPCEI EuBatIn, as well as new Member States that were not initially part of this IPCEI as mentioned in the decision by the Commission.

2.3. Indirect partners

Description

Organisations or undertakings, such as research organisations, academics, SMEs and large enterprises which neither participate as IPCEI direct participant nor are involved as associated partner in an IPCEI, which are located within an EU Member State, EEA state, or EU candidate country, and which collaborate with at least one IPCEI direct participant or associated partner within an IPCEI, can be represented as indirect partners in an IPCEI (cf. past IPCEI case practice). These indirect partners contribute to the objectives of an IPCEI through their collaborations with IPCEI direct participants or associated partners. They may be invited to networking activities with the IPCEI direct participants and associated partners.

Indirect partners are not assessed by the Commission in the context of the IPCEI process but by their respective Member State as far as the fulfilment of the conditions agreed by Member States for the qualification of indirect partner.

Indirect partners do not receive notified State aid approved based on the IPCEI Communication from their respective Member State. Indirect partners may or may not receive State aid from a national (or regional) funding scheme (not limited to RDI work), including GBER or EU funds, including support not necessarily qualifying as aid, - they can also be self-financed.

Criteria and role of indirect partners in IPCEI governance

Based on past IPCEI case practice, indirect partners:

- may have undergone a national selection procedure to participate in the IPCEI;
- may benefit from spillover activities through their collaborations with an IPCEI direct participant or associated partner and through the spillover activities of IPCEI direct participants or associated partners (such as conferences, workshops, training events, etc.);
- contribute to the IPCEI through collaborations with at least one IPCEI direct participant or associated partner;
- are or are not represented in the governance structure of the IPCEI¹³.

Reporting

Indirect partners are not required to provide any kind of annual reports at the level of the IPCEI. However, their respective national authorities may require an annual report (in particular, if indirect partners are receiving State aid) while limiting any administrative burden.

Visibility

¹³ In the IPCEI CIS, indirect partners are fully represented in the IPCEI governance with voting rights, but this IPCEI only recognize one partner category in addition to IPCEI direct participants and the indirect partners had some criteria to fulfil to be called an indirect partner. Compared to the current Recommendation, the indirect partners of IPCEI CIS are in practice (in terms of the criteria to fulfil) associated partners. In other previous IPCEIs, indirect partners are not represented in the IPCEI governance and can only be invited to potential networking activities/conferences or side events to the GA, without being provided with a voting right.

The identity of indirect partners would be given visibility in the Chapeau document and on the website of each IPCEI created by the Member States. In the decision of IPCEI-CIS, names of indirect partners have been mentioned in an annex to the decision of the Commission when indirect partners were the only additional partner category.¹⁴

3. The role of Member States participating in IPCEIs with associated or indirect partners

The Member State which submits one or more **associated or indirect partners' projects** to the coordinating Member State of an IPCEI is the entity fully and solely responsible for assessing compliance by these associated or indirect partners with each of the conditions set out in this Recommendation (and those which may be added/ altered by the Member States participating in a future IPCEI). Neither the Commission nor the coordinating Member State is involved in this assessment.

Member States are in the driving seat to create opportunities for companies or organisations to become involved in an IPCEI as associated or indirect partner. It is therefore recommended that Member States, in their national calls for expression of interest, determine the different roles they want to create in addition to IPCEI direct participants, namely indirect and/or associated partners and which they intend to involve based on which criteria within a certain IPCEI as to create clarity up-front to interested companies.

Further details can be found in both the recommendations of the JEF-IPCEI concerning national best practices on national calls for expression of interest as well as in the recommendations of the JEF-IPCEI concerning national best practices on IPCEI governance.

The coordinating Member State is responsible for updating the Chapeau reflecting the list of IAPs' projects submitted by a Member State and for ensuring that the rules of governance are respected with regard to the IAPs and their respective Member State in terms of voting rights, participation in governance bodies and, where applicable, reporting obligations.

As stated in the DG COMP Code of good practices for IPCEIs, Member States financing **IPCEI direct participants' projects** are responsible for assessing the relevance and criteria of their projects with the scope and roadmap defined between the participating Member States of an IPCEI in the joint public announcement acting as the emergence of the IPCEI ahead of the pre-notification process. The Commission is responsible for assessing the eligibility and compatibility of the projects of IPCEI direct participants with the criteria set by the IPCEI Communication. As regards IAPs, the Commission is taking into account the collaborations of IPCEI direct participants with IAPs only in the context of assessing the spillover commitments of the IPCEI direct participants.

¹⁴ In this IPCEI the indirect partner category contains additional criteria compared to the current Recommendation, see footnote 13.

Annex

Overview of roles of associated partners and indirect partners in an IPCEI

| | Associated partners | Indirect partners |
|------------------------------|---|---|
| Origin | should be located within an EU Member State, EEA state or EU candidate country | |
| Contribution to IPCEI | with their own projects which are of reasonable size and volume and, meaningfully and in an impactful way, contribute to the objectives of the IPCEI | by collaborations with at least one IPCEI direct participant or associated partner of the IPCEI |
| Selection | underwent a national selection procedure to participate in the IPCEI | may undergo have undergone a national selection procedure to participate in the IPCEI |
| Public funding | do not receive notified State aid approved based on the IPCEI Communication | |
| | receive funding from a national (or regional) funding scheme, including GBER, or EU funds, including support not necessarily qualifying as aid, for their contribution within the IPCEI ecosystem | have no requirements on public funding. Indirect partners may or may not receive funding from a national (or regional) funding scheme, including GBER, or EU funds, including support not necessarily qualifying as aid – indirect partners can also be self-financed |
| Governance | are represented in the governance structure of the IPCEI, as established by the participating Member States for each IPCEI | can be represented in the governance structure of the IPCEI, as established by the participating Member States for each IPCEI |
| | can participate in IPCEI conferences and networking events - and can thus benefit from (but also contribute to) the wider IPCEI ecosystem | may be invited to participate in IPCEI conferences and networking events - and can thus benefit from (but also contribute to) the wider IPCEI ecosystem |
| Visibility | the Recommendation is based on the expectation of the Member States that the identity of associated partners would be given public visibility by the European Commission. | the identity of indirect partners should be mentioned in the Chapeau document and on the respective website of the IPCEI prepared by the Member States. |
| | are represented on the respective IPCEI website, newsletters etc. | may be represented on the respective IPCEI website, newsletters etc. |
| Preparation | participate in setting up the IPCEI (e.g., in the matchmaking process) and contribute to drafting the IPCEI Chapeau document | Neither participate in setting up the IPCEI nor in drafting the IPCEI Chapeau document |
| Collaborations | in an RDI-related IPCEI, have effective cross-border collaborations (compliant with the R&D&I Framework) with at least two IPCEI direct participants or associated partners in the context of their IPCEI projects for large enterprises or | contribute to the IPCEI through collaborations with at least one IPCEI direct participant or associated partner |

| | | |
|-------------------|--|---|
| | ROs, and at least one for SMEs. At least one of the effective cross-border collaborations should be with an IPCEI direct participant | |
| Spillovers | commit to the generation of spillover activities related to, for example, the dissemination of non-IP covered results (conferences, workshops, training events, etc.) in at least three Member States | No requirements on the generation of spillovers. May benefit from spillover activities through their collaborations with an IPCEI direct participant or associated partner and through the spillover activities of IPCEI direct participants or associated partners (such as conferences, workshops, training events, etc.) |
| Reporting | <p>upon request by the Member States, inform the PAB (or any other similar IPCEI coordination body) about the progress of their respective projects in a yearly simplified report, which should include non-confidential information</p> <p>may contribute, upon request by Member States, to the annual reporting made at the level of the overall IPCEI (annual executive report). This annual report at the EU level is notwithstanding the national annual reports that may be required by the respective national authority of the associated partner</p> | are not required to provide any kind of annual reports at the level of the IPCEI. However, the respective national authority may require an annual report (in particular if indirect partners are receiving State aid) while limiting any administrative burden |
| Assessment | are not assessed by the European Commission in the context of the IPCEI process but by their respective Member State as far as the fulfilment of the conditions agreed by Member States for the qualification of an associated or indirect partner | |